

**PLAINTIFF'S EXHIBIT NUMBER:**

1



# **Lender Processing Services Investor Day**

May 28, 2008



# Forward-Looking Statements

This presentation will contain forward-looking statements that involve a number of risks and uncertainties. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. Forward-looking statements are based on management's beliefs, as well as assumptions made by, and information currently available to, management. Because such statements are based on expectations as to future economic performance and are not statements of fact, actual results may differ materially from those projected. We undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. The risks and uncertainties which forward-looking statements are subject to include, but are not limited to: general political, economic, and business conditions, including the possibility of intensified international hostilities, acts of terrorism, and general volatility in capital markets; failures to adapt our services to changes in technology or in the marketplace; consolidation in the mortgage lending or banking industry; security breaches of our systems and computer viruses affecting our software; a decrease in the volume of real estate transactions such as real estate sales and mortgage refinancings, which can be caused by high or increasing interest rates, a shortage of mortgage funding, or a weak United States economy; the impact of competitive services and pricing; the ability to identify suitable acquisition candidates and the ability to finance such acquisitions, which depends upon the availability of adequate cash reserves from operations or of acceptable financing terms and the variability of our stock price; our ability to integrate any acquired business' operations, services, customers, personnel; the effect of our substantial leverage, which may limit the funds available to make acquisitions and invest in our business; changes in, or the failure to comply with, government regulations, including regulatory changes or reform related to RESPA, appraisal practices and privacy obligations; and other risks detailed in the Risk Factor section in the Form 10.



LPS  
LISTED  
NYSE

122

# Agenda

• Overview	Jeff Carbiener
• Business Review	Jeff Carbiener
• Products/Services Review	Dan Scheuble
• Break	
• Market Drivers	Eric Swenson
• Financial Review	Francis Chan
• 2008 Guidance & Long Term Outlook	Jeff Carbiener
• Summary	Jeff Carbiener
• Q & A	All



LPS  
LISTED  
NYSE

123

# Overview



LPS  
LISTED  
NYSE

124

## Overview

- One of the largest providers of technology, processing, data and outsourced services to financial institutions
- Leading market positions in all business segments:
  - #1 U.S. provider of Mortgage Processing Services
    - LPS applications process over 50% of all U.S. residential mortgage loans by dollar volume
  - #1 U.S. provider of centralized Settlement Services
  - #1 U.S. provider of Mortgage Default Solutions
- Over 1,000 financial institution clients, including 39 of the 50 largest banks in the U.S.
- Significant scale with 2007 pro forma revenue and EBITDA of \$1,690.6 million and \$526.7 million, respectively

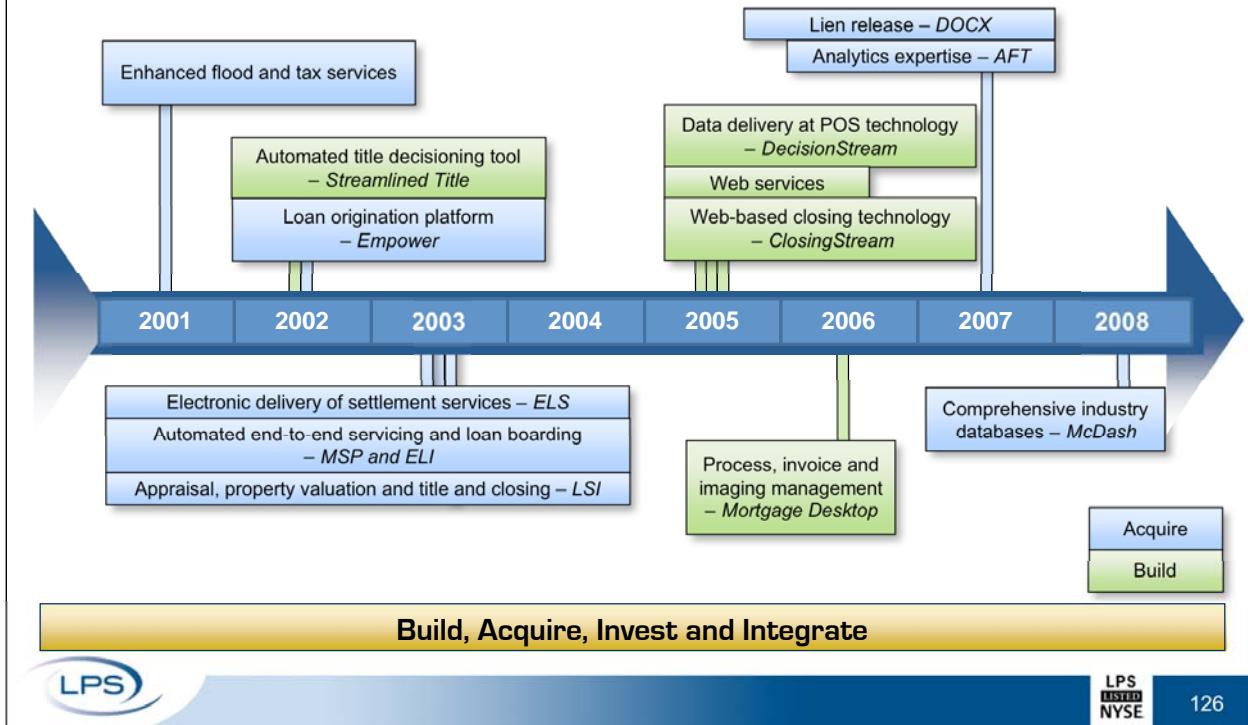


LPS  
LISTED  
NYSE

125

# Overview

## Evolution of LPS



## Overview

### Business Characteristics

- Market leading mortgage processor
- Industry's most comprehensive range of integrated technology, data and processing services
- Broad and long-term relationships with nation's top lenders
  - On average, top 10 customers: with us for 18 years, utilize 18 of 29 services
- Uniquely balanced operating model
- High barriers to entry and strong competitive position

**Industry Leader with Growing Market Share**



LPS  
LISTED  
NYSE

127

# Overview

## Growth Drivers

### Leveraging Comprehensive Solutions

- Drive market share gains
- Extend product penetration
- Expand usage

### Extending Technology Leadership Position

- Desktop expansion
- DecisionStream and ClosingStream
- RealEC

### Expanding Current Service Offerings

- Capital markets
- Data and analytics
- Fraud solutions

### Pursuing Selected Acquisitions

- Watterson Prime
- Applied Financial Technology
- McDash

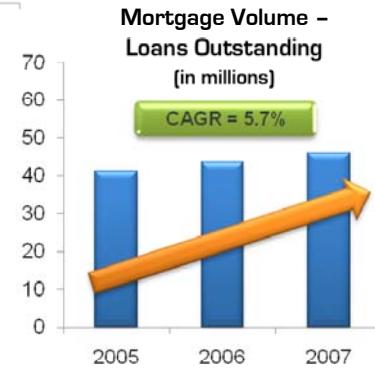
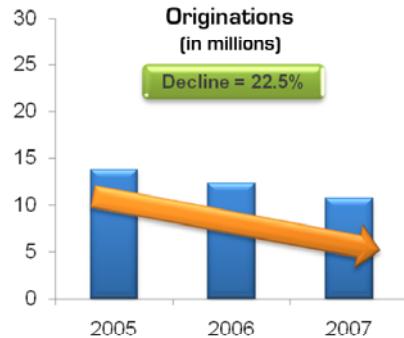
**LPS is well-positioned to succeed as a stand-alone company**



LPS  
LISTED  
NYSE

128

## Overview Market Metrics



Lender Processing Services

LPS  
LISTED  
NYSE

129

## Overview

### Financial Performance



Lender Processing Services

LPS  
LISTED  
NYSE

130

# Overview

## LPS Organization



LPS  
LISTED  
NYSE

131

# Business Review

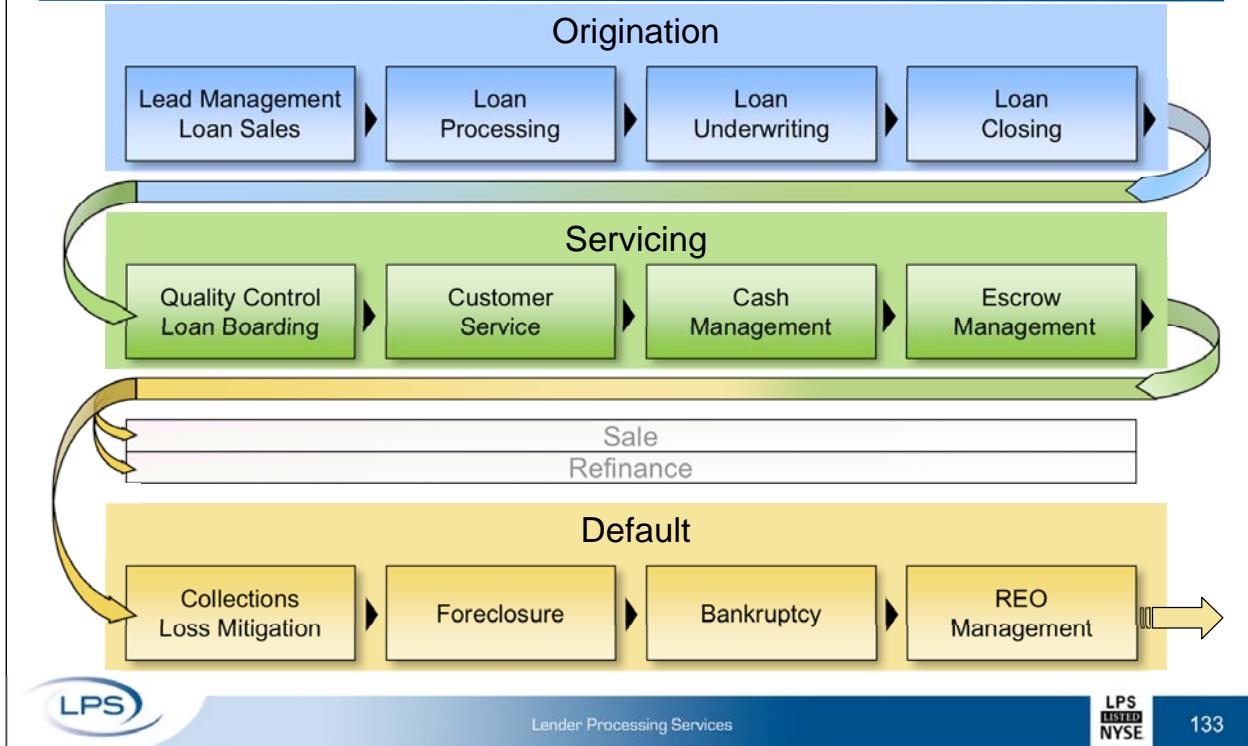


LPS  
LISTED  
NYSE

132

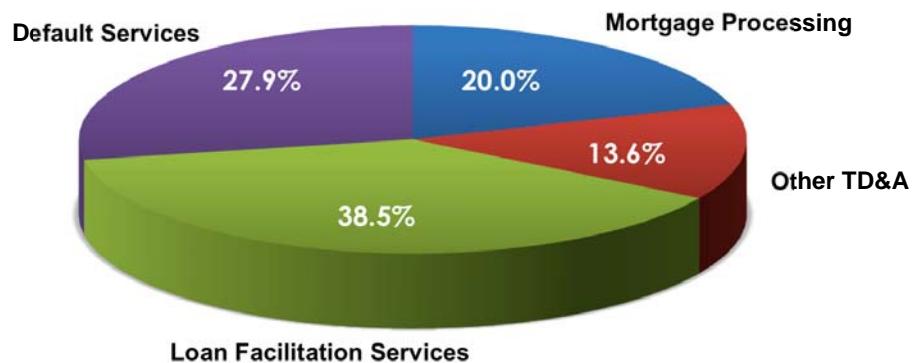
# Business Review

## End-to-End Solutions



## Business Review Balanced Portfolio

### FY2007 Revenue Mix



### Balanced, growing revenue mix



Lender Processing Services

LPS  
LISTED  
NYSE

134

## Business Review

### Key Relationship Expansion

	Bank of America	Barclays/ HomEq	CitiGroup	Countrywide	JPMorgan Chase	JPMorgan Chase/ EMC	HSBC	Wilbur Ross/ Option One	Washington Mutual	Wells Fargo	<b>TOTAL</b>
<i>YE 2007</i> <i>Total LPS Services (29)</i>	23	13	15	16	15	16	19	16	19	18	170
<i>YE 2006</i> <i>Total LPS Services (29)</i>	23	10	8	10	10	8	18	16	18	17	138

**Strong penetration, future growth opportunity**



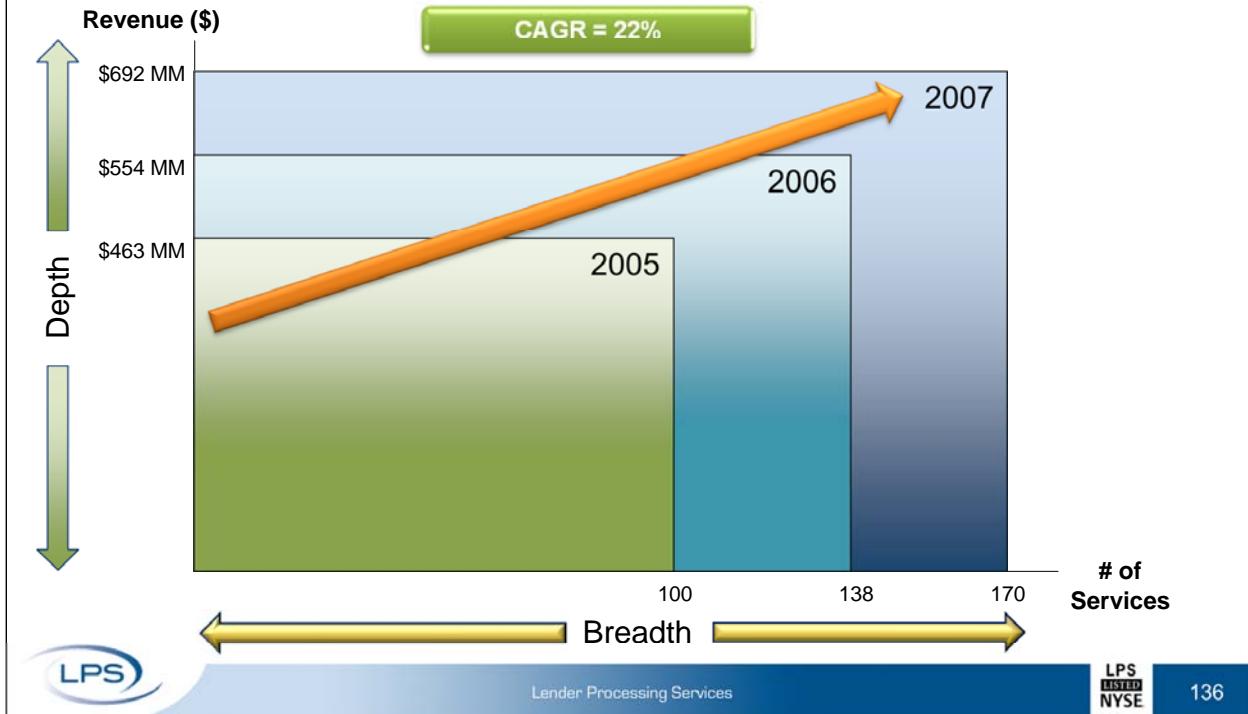
Lender Processing Services

LPS  
LISTED  
NYSE

135

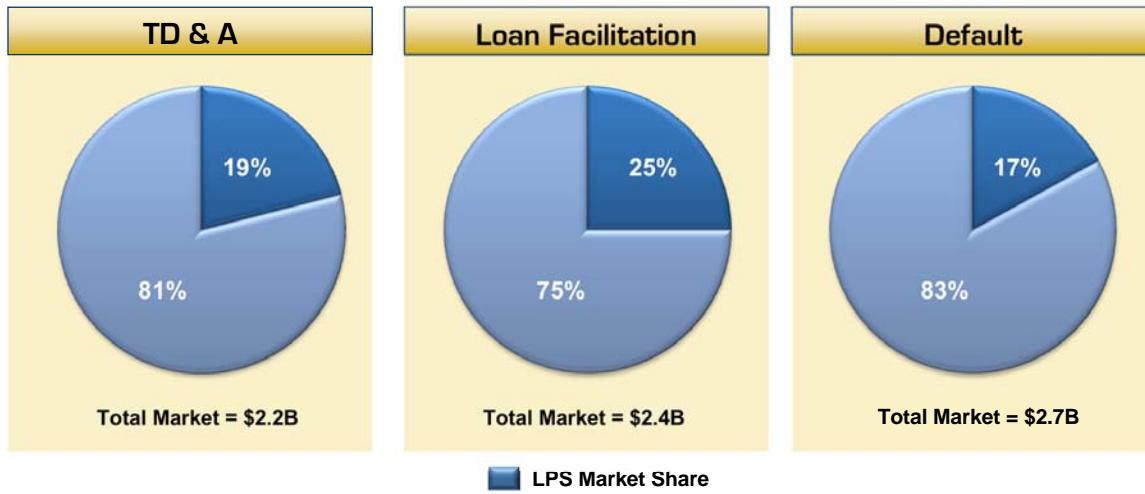
## Business Review

### Key Relationship Growth



## Business Review

### Market Size \*



■ LPS Market Share

**Attractive growth opportunities in all areas**

\* 2007 data; Source: company and industry estimates



Lender Processing Services

LPS  
LISTED  
NYSE

137

# Business Review

## Favorable Market Dynamics

### Consolidation

- Large banks are gaining market share
- Increased direct lending versus wholesale and correspondent channels



### Increased Market Share

- Trend to centralize and outsource operations
- Drives higher volumes to LPS

### Flight to Quality

- Changing credit market conditions are driving lenders to focus on higher quality borrowers
- Centralized processing and more stringent underwriting controls
- Increased demand for better tools to mitigate long-term risk

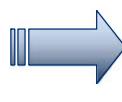


### Streamlined Product Solutions

- Good fit for automated solutions in a centralized environment
- Valuations, Streamlined Title, Web-based closings
- Development of predictive models and indicators of future loan performance

### Need to Reduce Internal Costs

- Focus on reducing servicing costs
- Increase efficiency through technology and integrated solutions



### Low-Cost Provider

- Scale
- Domain expertise
- Integrated data, technology and services (MSP and Desktop)



Lender Processing Services



138

# Products/Services Review



LPS  
LISTED  
NYSE

139

# Products/Services

## Agenda

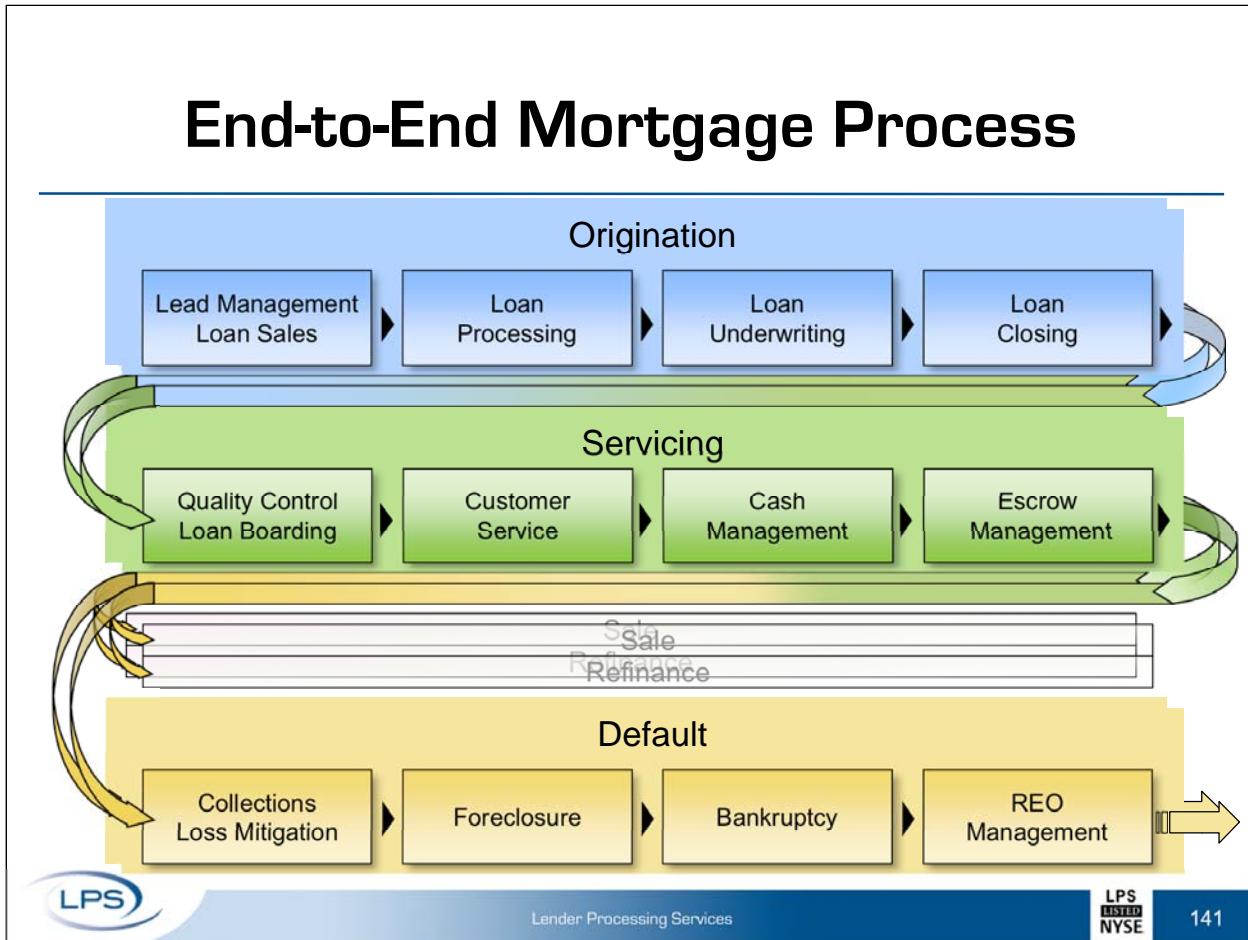
- End-to-end mortgage process
- Origination process
  - Technology solutions
  - Data and services solutions
- Servicing process
  - Technology solutions
  - Data and services solutions
- Default process
  - Technology solutions
  - Data and services solutions
- Capital markets
- Analytics
- Balanced business model
- Competitive landscape



Lender Processing Services



140



## End-to-End Mortgage Solutions

### Origination – Technology Offerings



**Empower** – Automates the end-to-end loan origination process.

- 14 of the top 50 lenders
- Market: The nation's top 200 lenders
- Positioned to take advantage of the market rebound with state-of-the-art .NET technology
- Integration with LPS services includes settlement services, fraud, data, analytics, default and servicing



Lender Processing Services

LPS  
LISTED  
NYSE

142

## End-to-End Mortgage Solutions

### Origination – Technology Offerings

Lead Management  
Loan Sales

Loan  
Processing

Loan  
Underwriting

Loan  
Closing

**DecisionStream** – Delivers critical data, instantly, to the point of sale and provides the ability to upgrade to other products for fulfillment.

- Shortens length of time between application and closing
- Results in higher percentage of closings
- Saves lenders up to \$300 per declined loan
- Turns shoppers into buyers



Lender Processing Services

LPS  
LISTED  
NYSE

143

## End-to-End Mortgage Solutions

### Origination – Technology Offerings

Lead Management  
Loan Sales

Loan  
Processing

Loan  
Underwriting

Loan  
Closing

**Streamlined Title** – Provides automated title decisions for refinances, instantly, at point-of-sale.

- 10 of the top 10 retail originators
- Allows lenders to easily place all orders through a single workflow
- Lowers cost of title policy – savings between \$150 – \$650
- Dramatically increases customer retention



Lender Processing Services

LPS  
LISTED  
NYSE

144

## End-to-End Mortgage Solutions

### Origination – Technology Offerings

Lead Management  
Loan Sales

Loan  
Processing

Loan  
Underwriting

Loan  
Closing

**ClosingStream** –  
Web-based  
closing solution for  
refinances and  
loan modifications.

- 7 of the top 10 top lenders
- More than 35,000 online closings completed since its inception in 2005
- Technology building blocks to support e-mortgage
- 99% borrower satisfaction rating



Lender Processing Services

LPS  
LISTED  
NYSE

145

## End-to-End Mortgage Solutions

### Origination – Technology Offerings

Lead Management  
Loan Sales

Loan  
Processing

Loan  
Underwriting

Loan  
Closing

**eLender Solutions** – Complete electronic delivery of appraisal, title and closing services.

- 99% of transactions are electronically received and delivered
- Produces SLA-based scorecard
- Customizable rules-based, exception-level processing
- Integrated into customer's loan origination technology



Lender Processing Services

LPS  
LISTED  
NYSE

146

## End-to-End Mortgage Solutions

### Origination – Technology Offerings

Lead Management  
Loan Sales

Loan  
Processing

Loan  
Underwriting

Loan  
Closing

**RealEC** – Automates ordering, tracking and delivery of third-party mortgage services.

- 2,000+ lenders and brokers, including 17 of the top 20 lenders
- 13,000+ service providers (e.g. tax, title, etc.)
- All major settlement companies and all major title, closing and appraisal software packages are connected
- Enables a private-label, revenue-based model for the lender



Lender Processing Services

LPS  
LISTED  
NYSE

147

## End-to-End Mortgage Solutions

### Origination – Data and Services

Lead Management  
Loan Sales

Loan  
Processing

Loan  
Underwriting

Loan  
Closing

**Tax Data** – Solutions that can access powerful tax database in an automated environment as well as enable self-service access.

- More than 1,200 active clients
- One of the largest property tax databases in the country – 85%
- Automated tax line integration increases accuracy



Lender Processing Services

LPS  
LISTED  
NYSE

148

## End-to-End Mortgage Solutions

### Origination – Data and Services

Lead Management  
Loan Sales

Loan  
Processing

Loan  
Underwriting

Loan  
Closing

**Flood Services** – Determine if property is in a flood zone. Provides updates for map revisions or changes in flood insurance requirement or availability.

- 6 of the top 10 mortgage lenders
- LPS is the #1 provider of flood determinations in the U.S.
- Highest levels of automation in the industry, creating highest hit rates and shortest turn times



Lender Processing Services

LPS  
LISTED  
NYSE

149

## End-to-End Mortgage Solutions

### Origination – Data and Services



#### Appraisal/Property Valuation – Centralized, independent appraisal services used to determine the value of a property.

- 45,000 independent appraisers and real estate professionals in database
- 2 million valuations completed in 2007
- Enhances quality control through reductions in FTE and steps in appraisal process
- Turnaround time reductions eliminate days from the closing process
- Improves overall borrower experience



Lender Processing Services

LPS  
LISTED  
NYSE

150

## End-to-End Mortgage Solutions

### Origination – Data and Services

Lead Management  
Loan Sales

Loan  
Processing

Loan  
Underwriting

Loan  
Closing

**Title and Closing Services** – Centralized coordination of settlement process.

- 8 of the top 10 lenders
- Largest centralized title and appraisal company in the U.S.
- Closings handled quickly, professionally and correctly
- Increased customer satisfaction
- Extensive network of notaries experienced in escrow, title, mortgage or real estate



Lender Processing Services

LPS  
LISTED  
NYSE

151

## End-to-End Mortgage Solutions

### Origination – Technology, Data and Services Offerings



**Empower** (Automated, End-to-End Originations)

**RealEC** (Automated Ordering, Tracking and Delivery)

**eLender Solutions** (Electronic Delivery Technology)

#### Title and Closing Services

**DecisionStream** (Data Delivery at Point of Sale)

**Tax Data**

**Streamlined Title** (Automated Title Decisioning Tool)

**Flood Services**

**Appraisal/Property Valuation**

**Closing Stream**  
(Web-Based Closing Solution)



Lender Processing Services

LPS  
LISTED  
NYSE

152

## End-to-End Mortgage Solutions

### Servicing – Technology



**MSP** – Automates end-to-end mortgage servicing process, provides investor reporting and comprehensive reporting and business intelligence.

- More than 50% of outstanding mortgage loans, based on principle balance
- 6 of top 10; 17 of top 25 servicers
- HELOC servicing is growth opportunity – 40 clients currently using HELOC functionality; 1.2 million HELOCs/2<sup>nd</sup> mortgages serviced on MSP
- Recipients of 2006 and 2007 JD Powers award utilize MSP



Lender Processing Services

LPS  
LISTED  
NYSE

153

## End-to-End Mortgage Solutions

### Servicing – Technology

Quality Control  
Loan Boarding

Customer  
Service

Cash  
Management

Escrow  
Management

**Electronic Loan  
Interface** – Automates  
loan boarding for new  
loans and portfolio  
acquisitions.

- Approximately 60% of LPS clients
- Rules processing greatly increases quality of data
- Dramatic reductions in time frames and cost
- Automates loan boarding for portfolio acquisitions



Lender Processing Services

LPS  
LISTED  
NYSE

154

## End-to-End Mortgage Solutions

### Servicing – Technology



**MSP Web Services** – Provides a secure mechanism to send MSP data to and from third parties and servicers.

- 45% of clients or their business partners using to update MSP
- Provides real-time access to loan level data
- Integrates MSP with LPS technology and services
- Provides consistent, timely and accurate data delivery



Lender Processing Services

LPS  
LISTED  
NYSE

155

## End-to-End Mortgage Solutions

### Servicing – Data and Services

Quality Control  
Loan Boarding

Customer  
Service

Cash  
Management

Escrow  
Management

**Tax Data** – Leverages property records database to provide up-to-date tax information;  
provides status of taxes on a property.

- Tax solution enables customers to insource tax business
- Reduction in post-close work performed to adjust escrow accounts
- Increased efficiencies through automated boarding of tax data into servicing platform



Lender Processing Services

LPS  
LISTED  
NYSE

156

## End-to-End Mortgage Solutions

### Servicing – Data and Services

Quality Control  
Loan Boarding

Customer  
Service

Cash  
Management

Escrow  
Management

**Flood Services** – Determine if  
property is in a flood zone.  
Provides updates if determination  
changes throughout life-of-loan.

- LPS is the #1 provider of flood determinations in the U.S.
- Servicing 5 of the top 10 lenders; tracking more than  
32 million loans for map revisions
- Supports all transactions necessary for life-of-loan servicing



Lender Processing Services

LPS  
LISTED  
NYSE

157

## End-to-End Mortgage Solutions

### Servicing – Data and Services

Quality Control  
Loan Boarding

Customer  
Service

Cash  
Management

Escrow  
Management

**Lien Release** – Automates lien release, assignment and recording of loans when paid in full.

- Largest recorder information database
- Eliminates manual intervention, reducing cost and cycle time
- Decreases incorrect payoffs and exception handling



Lender Processing Services

LPS  
LISTED  
NYSE

158

## End-to-End Mortgage Solutions

### Servicing – Technology, Data and Services Offerings

Quality Control  
Loan Boarding → Customer  
Service → Cash  
Management → Escrow  
Management

**MSP** (Automated, End-to-End Servicing)

**MSP Web Services** (Web Services)

Tax Data

Flood Services

**Electronic Loan  
Interface**  
(Electronic Loan Boarding)

Lien Release



Lender Processing Services

LPS  
LISTED  
NYSE

159

## End-to-End Mortgage Solutions

### Default – Technology

Collections  
Loss Mitigation

Foreclosure

Bankruptcy

REO  
Management

**MSP** – Data of record; automates end-to-end mortgage servicing process.

**Mortgage Desktop** – Works in conjunction with MSP and provides process automation, digital invoice solutions and document management.

- Used by 8 of the top 10 servicers
- Manages more than 50% of default referrals in the industry
- Dramatic, documented increase in efficiency
- Reduces loan loss provisions
- Performance metrics create unprecedented timeline improvement



Lender Processing Services

LPS  
LISTED  
NYSE

160

## End-to-End Mortgage Solutions

### Default – Data and Services

Collections  
Loss Mitigation

Foreclosure

Bankruptcy

REO  
Management

#### Title and Closing

– Provides all  
foreclosure title  
products required  
to transfer title  
from borrower  
to bank.

- Expedites transfer of title
- Reduces title expenses and shortens timelines
- Increases process transparency
- Working knowledge of local requirements and regulations



Lender Processing Services

LPS  
LISTED  
NYSE

161

## End-to-End Mortgage Solutions

### Default – Data and Services

Collections  
Loss Mitigation

Foreclosure

Bankruptcy

REO  
Management

**Appraisal/Property Valuation** – Provides an estimated value for subject property.

- Risk mitigation and proactive management of loans based on accurate property values
- Computer-generated models, low cost, real time
- Performed by qualified real estate professionals
- Allow lenders to match risk with cost; tiered products that match underwriting risk profile



Lender Processing Services

LPS  
LISTED  
NYSE

162

## End-to-End Mortgage Solutions

### Default – Data and Services

Collections  
Loss Mitigation

Foreclosure

Bankruptcy

REO  
Management

**Field Services** – Provides centralized vendor management for property inspections and preservation services.

- Network of more than 5,000 skilled inspectors and insured contractors
- Compliance with the multitude of investor and agency guidelines
- Web-enabled communication and automated quality control improve efficiency and reduce costs



Lender Processing Services

LPS  
LISTED  
NYSE

163

## End-to-End Mortgage Solutions

### Default – Data and Services

Collections  
Loss Mitigation

Foreclosure

Bankruptcy

REO  
Management

**REO** – Asset  
management  
services for REO  
properties.

- Strong year-over-year growth
- Experience managing the disposition of  
more than 85,000 REO assets



Lender Processing Services

LPS  
LISTED  
NYSE

164

## End-to-End Mortgage Solutions

### Default – Technology, Data and Services Offerings



Lender Processing Services

LPS  
LISTED  
NYSE

165

# Capital Markets

## Participants' Duties

- Trade Bonds

- Finance/  
Underwrite Deals

- Advisory

### Front Office/Wall Street (Glamorous Activities)

- Prospect Portfolios
- Identify Opportunities
- Trade Assets
- Negotiate & Close Deal
- Securitize
- Issue Bond
- Investment Banking Expertise

**LPS**

**Data  
Analytics  
Technology  
Independence  
Experience**

### Back Office/LPS (Grunt Work)

- Fraud and Credit Check
- Collateral Valuation
- Due Diligence
- Predictive Modeling
- Performance Monitoring
- Surveillance

**LPS ties together what is, today, a fairly convoluted process,  
enabling Wall Street to make the right investment decision.**

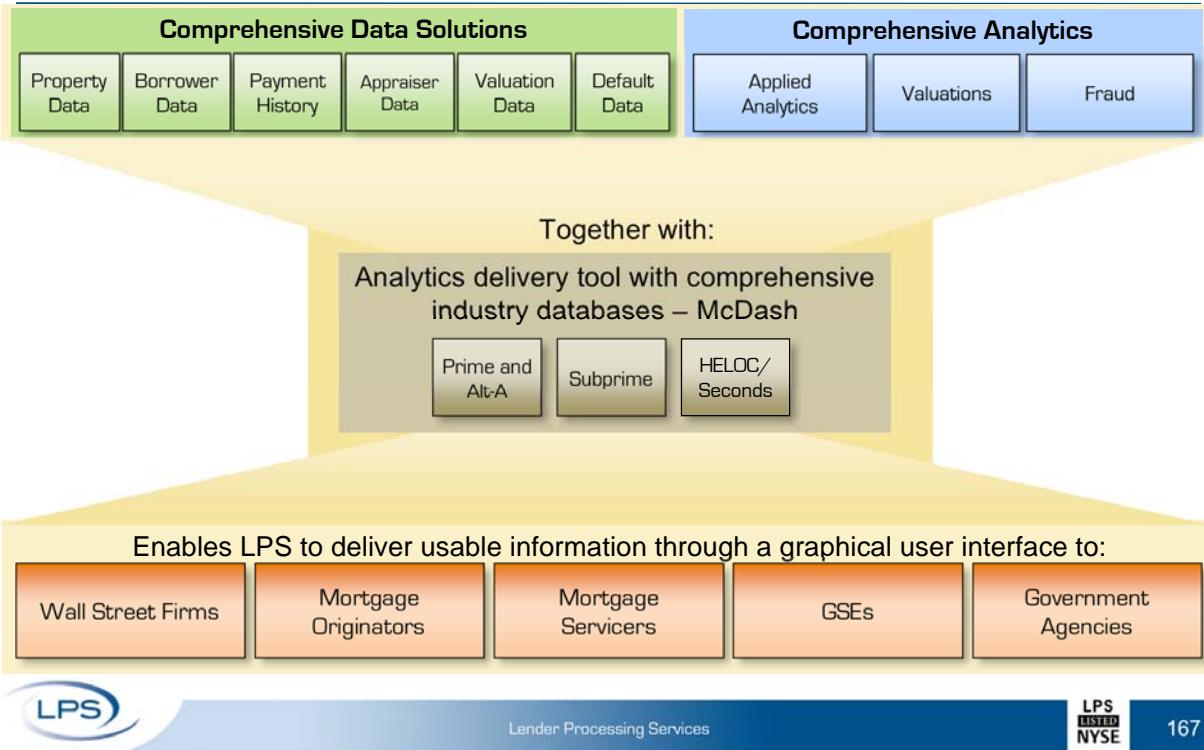


Lender Processing Services

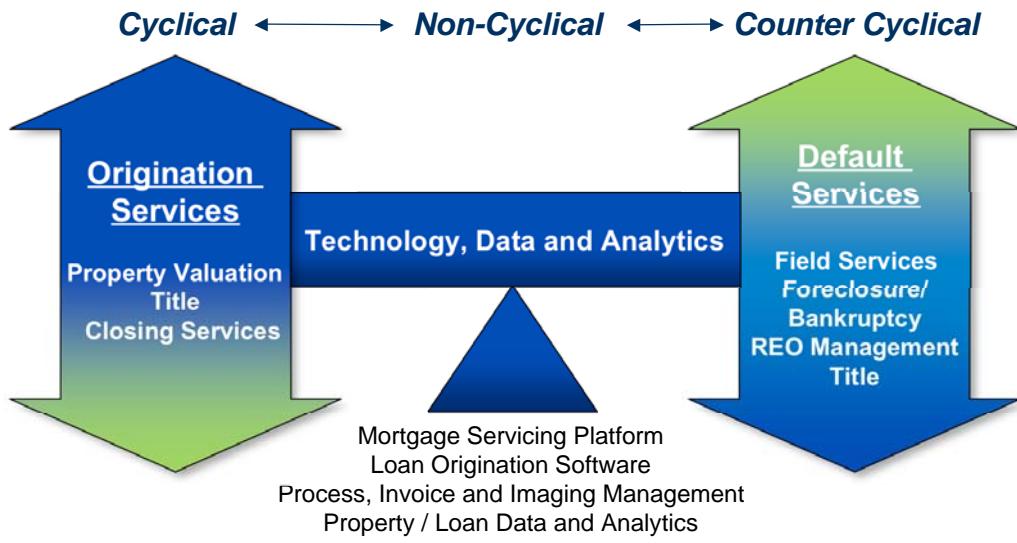
**LPS**  
LISTED  
NYSE

166

# Analytics



## Balanced Business Model



**LPS business mix results in balanced revenue stream across volatile mortgage markets.**



Lender Processing Services

LPS  
LISTED  
NYSE

168

## Competitive Landscape

### Data and Services

	LPS	First American	LandAM	Fiserv	Credit Bureaus
<i>Tax Data</i>	✓	✓	✓		
<i>Flood Services</i>	✓	✓	✓	✓	✓
<i>Appraisal/Property Valuation</i>	✓	✓	✓	✓	✓
<i>Title and Closing Services</i>	✓	✓	✓	✓	✓
<i>Lien Release</i>	✓	✓	✓		
<i>AVM</i>	✓	✓		✓	✓
<i>Field Services</i>	✓	✓	✓		
<i>REO</i>	✓	✓	✓		
<i>Data Services</i>	✓	✓			✓
<i>Title Underwriting</i>		✓	✓		
<i>Default Management Outsource</i>	✓	✓	✓		
<i>Portfolio Analytics/ Due Diligence</i>	✓	✓		✓	



Lender Processing Services



169

# Competitive Landscape

## Technology

	LPS	First American	LandAM	Fiserv	Credit Bureaus
<b>Loan Origination Technology</b>					
Automated End-to-End Loan Process	✓			✓	
Web-Based Closing Solution	✓	✓		✓	
Data Delivery at Point of Sale	✓				
Automated Title Decisioning Tool	✓	✓	✓		
Electronic Delivery Technology	✓	✓	✓	✓	✓
Automated Order, Track and Delivery	✓		✓	✓	
<b>Mortgage Servicing Technology</b>					
Automated End-to-End Servicing	✓			✓	
Electronic Loan Boarding	✓			✓	
Web Services	✓				
<b>Default Management Technology</b>					
Automated End-to-End Servicing	✓			✓	
Process Invoice and Imaging Management	✓	✓	✓		



Lender Processing Services



170

# Competitive Advantage

## LPS Technology

### Customer Benefits

- Lower cost to originate and service
- Better regulatory compliance
- Lower error rates
- Faster cycle times
- Increased customer satisfaction
- Increased pull-through
- Increased adaptability

### LPS Benefits

- Creates barriers to entry
- Difficult to replace – “stickiness”
- Facilitates the ordering of LPS data and services
- Faster time to market for new technology and services
- LPS services leverage our technology



Lender Processing Services



171

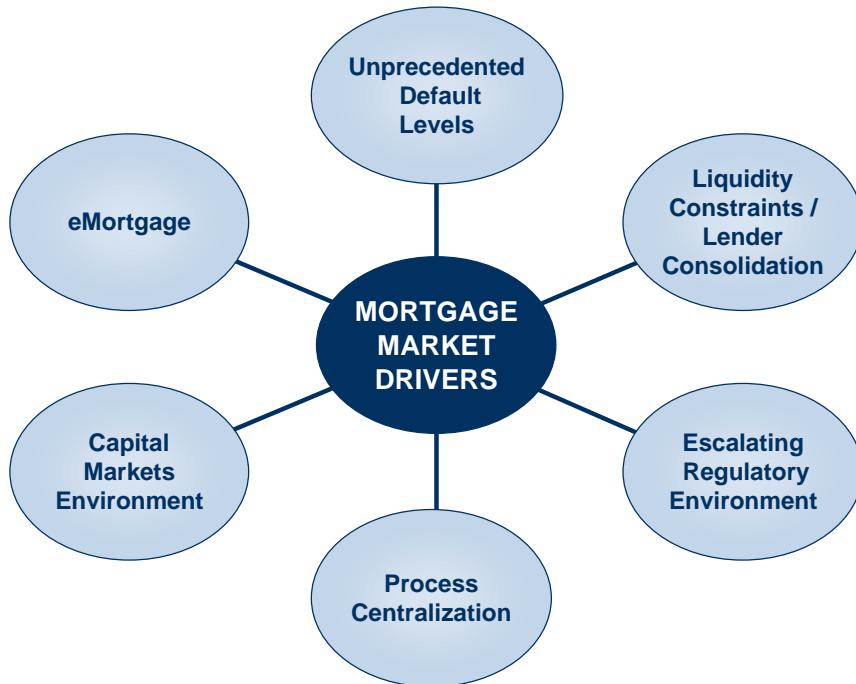
# Market Drivers



LPS  
LISTED  
NYSE

172

## Mortgage Market Drivers



LPS  
LISTED  
NYSE

173

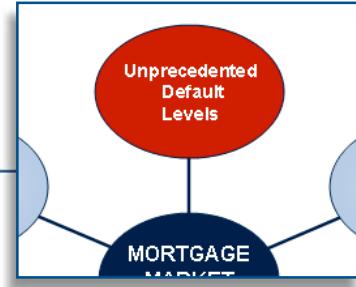


LPS  
LISTED  
NYSE

174

## LPS Benefits

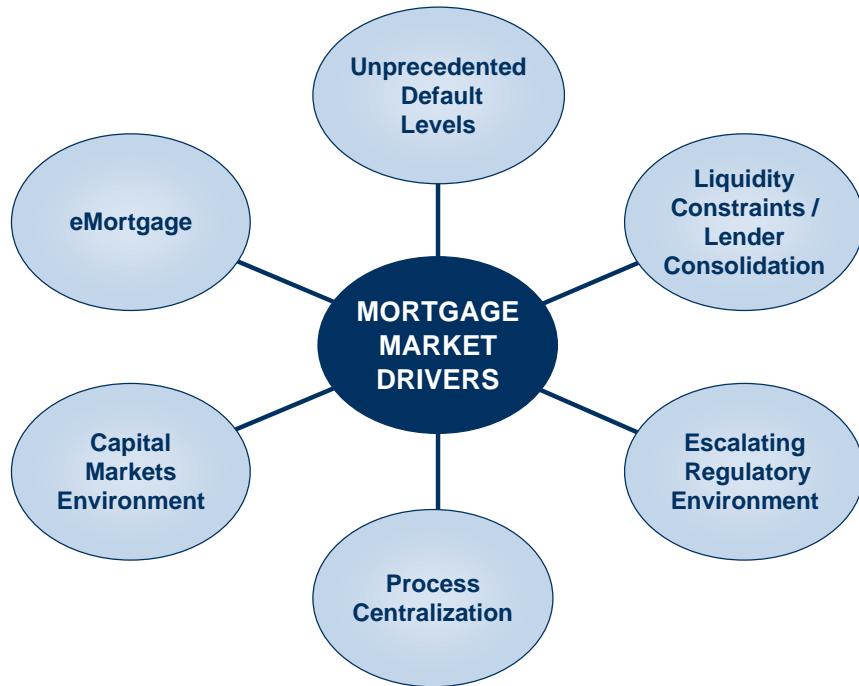
- Increased default volumes and demand for related services
  - Strong LPS default revenue growth
  - Over half of all default transactions process with LPS Desktop technology which has 20,000 users
  - To date 12MM default referrals have been managed on the Desktop technology
- Increased demand for more effective loss mitigation tools:
  - Applied Analytics' loss mitigation scores and retention scores
  - Portfolio valuation monitoring service
  - ClosingStream for loan modifications



LPS  
LISTED  
NYSE

175

## Mortgage Market Drivers



LPS  
LISTED  
NYSE

176

**Washington Mutual to Get  
\$5 Billion Infusion: Report**

*MarketWatch*

**Will Bear's Servicer  
Find a Fit at JPM?**

*American Banker*

**H&R Block Signs Definitive  
Agreement to Sell Option One  
Mortgage Servicing Business to  
Affiliate of WL Ross & Co. LLC**

*MarketWatch*

**Wachovia to Raise \$7  
Billion of Capital,  
Slash Payout**

*MarketWatch*

**Former Countrywide  
Execs form PennyMac to  
Sell Whole Loans**

*MarketWatch*

**OFHEO Details New  
GSE Loan Limits**

*American Banker*

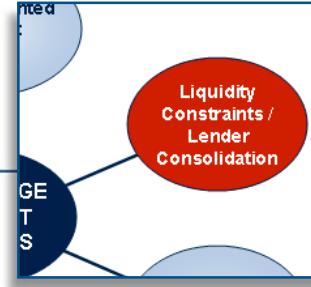


LPS  
LISTED  
NYSE

177

## LPS Benefits

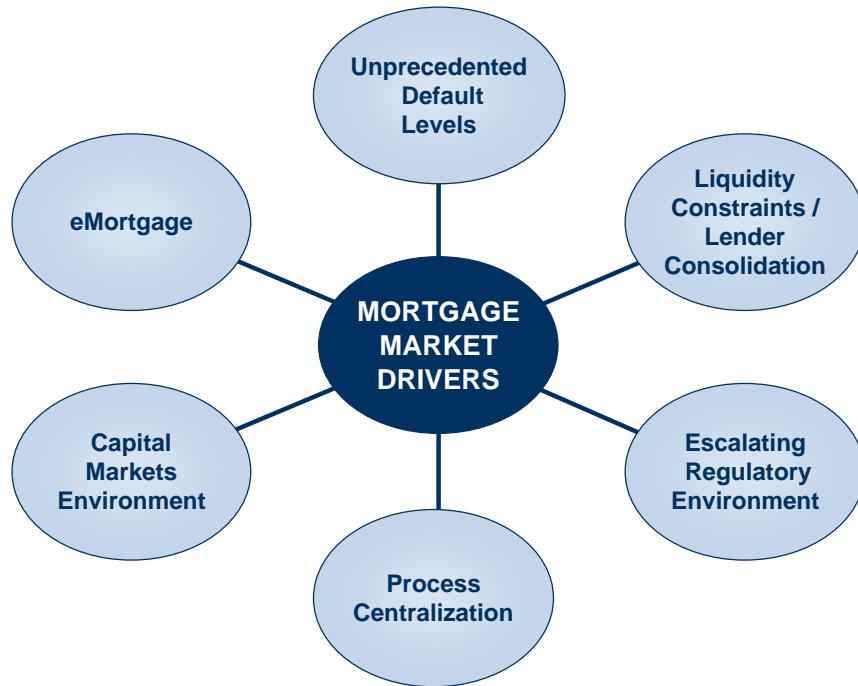
- Consolidation towards larger institutions and new entrants
  - LPS' strongest relationships are with the top 25 lenders/servicers that have consolidated market
    - Largest settlement services provider to the top 25
    - MSP currently has over 50% market share
    - LPS Desktop manages over half of default referrals
  - New market entrants look to LPS first for servicing and default technology
  - LPS working with Government Agencies to utilize LPS Desktop technology



LPS  
LISTED  
NYSE

178

## Mortgage Market Drivers



LPS  
LISTED  
NYSE

179

**Cuomo-GSE Deal May Get  
Fight in Court**

*American Banker*

**Dodd Seeks New  
GSE Mandate**

**Proposed RESPA Rule  
to Require Reading of  
Loan Details to  
Borrowers Prior to  
Closing**

*Inside Mortgage Finance*

**Frank Optimistic in Pushing  
Legislation Forward**

*MBA NewsLink*

**New Foreclosure Rules  
Pursuant to Emergency  
Legislation**

*State of Maryland*

**Government Debates New  
Home Foreclosure Rules**

*KGW.com*

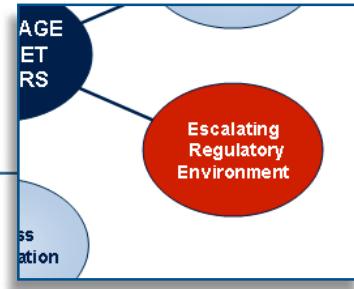


LPS  
LISTED  
NYSE

180

## LPS Benefits

- Escalating regulatory environment is creating demand for LPS solutions:
  - Strong industry partner for maintaining regulatory compliance
  - ClosingStream supports required disclosure and scripting changes proposed in RESPA Reform
  - Point-of-sale technology available to automatically populate Good Faith Estimate as proposed in RESPA reform
  - LPS Desktop allows servicers to manage the new foreclosure rules and timeline changes
  - MSP technology has a large, dedicated team focused on regulatory compliance



LPS  
LISTED  
NYSE

181

## Mortgage Market Drivers



LPS  
LISTED  
NYSE

182

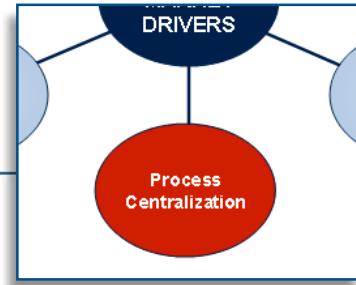


LPS  
LISTED  
NYSE

183

## LPS Benefits

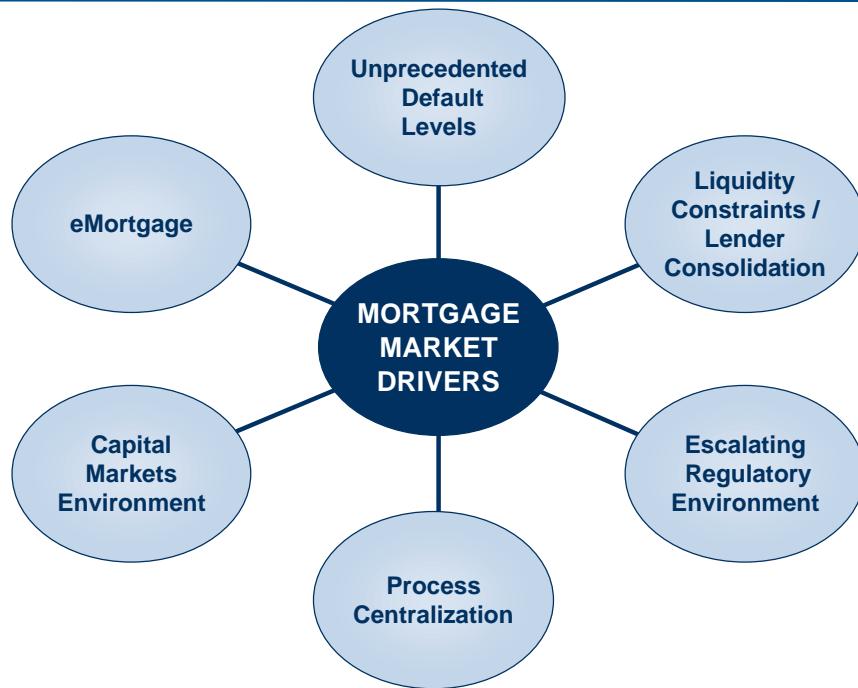
- Lenders centralizing origination channels
  - LPS' outsourced settlement services model was built to support the largest, centralized mortgage lenders in the industry
    - Appraisal outsource model provides independence
    - Point-of-sale title decisioning eliminates bottlenecks and saves borrower hundreds of dollars
- Lenders centralizing operating platforms
  - MSP provides a single platform to efficiently track and monitor all real estate secured loans including HELOCs



LPS  
LISTED  
NYSE

184

## Mortgage Market Drivers



LPS  
LISTED  
NYSE

185

Secondary Mortgage  
Market: in Trouble  
*Mortgage Foundation*

CDO Market is Almost  
Frozen, Merrill,  
JPMorgan Say  
*Bloomberg*

Bernanke Urges  
Better Risk  
Management  
*AP*

It's Hard to Thaw a Frozen  
Market  
*NY Times*

“ ... No one, and I mean no one, is  
going to buy a package of loans  
without knowing what each and  
every one of them is, what the risk  
of default is, etc. ...”

*Andy Kessler  
Wall Street Journal*

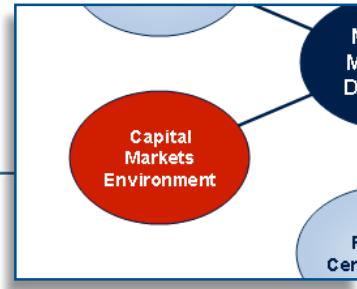


LPS  
LISTED  
NYSE

186

## LPS Benefits

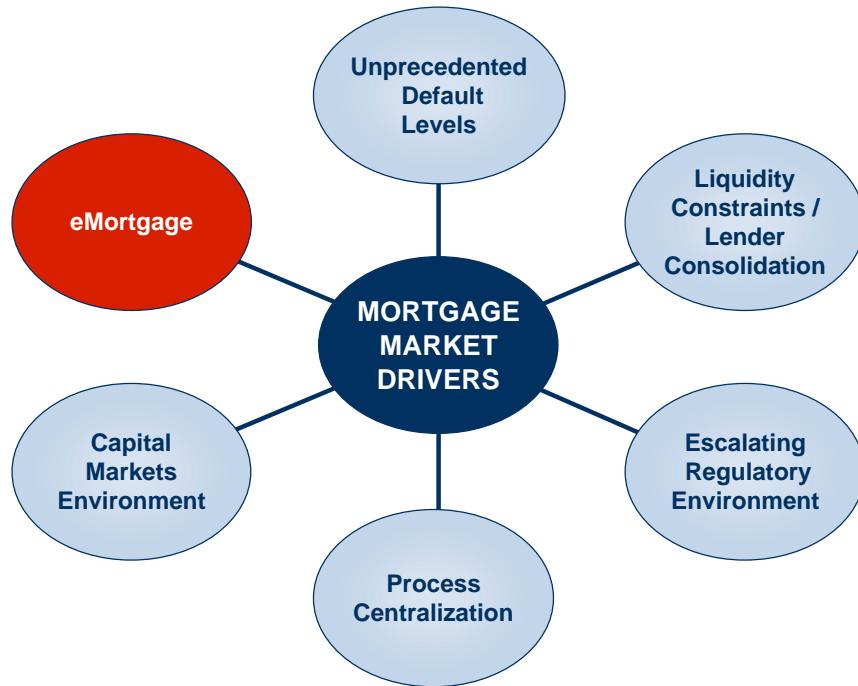
- Need for more sophisticated risk management and analytical tools
  - LPS offers comprehensive data and analytic solutions for investors to address the demand for improved due diligence practices and ultimately provide confidence in what they are buying
    - LPS Due Diligence Solutions offer verification and compliance assessment services
    - LPS Valuation Solutions assess property values more accurately
    - LPS Applied Analytics provide tools to better assess the income stream risks of default, loss and prepayment
    - LPS' McDash provides best execution analysis on both the buy and sell side



LPS  
LISTED  
NYSE

187

## Mortgage Market Drivers



LPS  
LISTED  
NYSE

188

Mortgage Technology:  
A Long Way Come; a Long  
Way to Go  
*MBA NewsLink*

Automated Closing Fee  
Calculator Provides  
Better Estimates  
*MBA NewsLink*

eRecording Gains  
Ground Among Once-  
Reluctant County  
Recorders  
*MBA NewsLink*

MISMO, Adobe Release  
PDF eSignature Guidelines  
for Mortgages  
*MBA NewsLink*

New U.S. RMBS Criteria  
Reflects Greater Use of  
Loan Modifications  
*Fitch*

Use Fannie Mae's  
HomeSaver Advance to  
Stop Foreclosure  
*News Release*

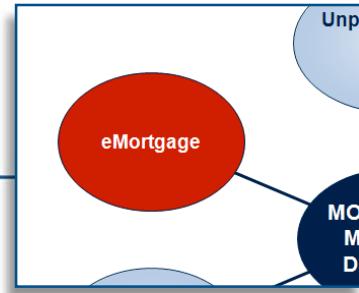


LPS  
LISTED  
NYSE

189

## LPS Benefits

- Emerging demand for Web-based mortgage solutions
  - LPS is contributing to the advancement of eMortgage technology to solve the problems of today and streamline processes for the future
    - LSI's ClosingStream gaining GSE acceptance with top lenders
    - Working with top 10 lenders to develop "touchless self-service" mortgage
    - Working with GSE to develop specialized "HomeSaver" loss mitigation program
    - LPS Desktop's Smart Doc imaging solutions provides enhanced auditing capabilities for servicers



LPS  
LISTED  
NYSE

190

## Financial Review

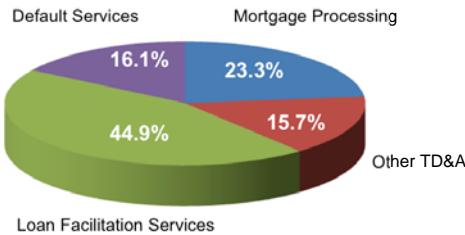


LPS  
LISTED  
NYSE

# Financial Review

## Highly Diversified Revenue

### FY2005 Revenue Mix



### FY2007 Revenue Mix



Revenue:	\$1,382.5 million
EBITDA:	\$ 430.6 million
EBITDA Margin:	31.1%

Revenue:	\$1,690.6 million
EBITDA:	\$ 526.7 million
EBITDA Margin:	31.2%

Segment	EBITDA margin
Technology, Data & Analytics	44.3%
Loan Transaction Services	29.7%

Segment	EBITDA margin
Technology, Data & Analytics	45.7%
Loan Transaction Services	26.1%

**Strong revenue growth, robust margins**

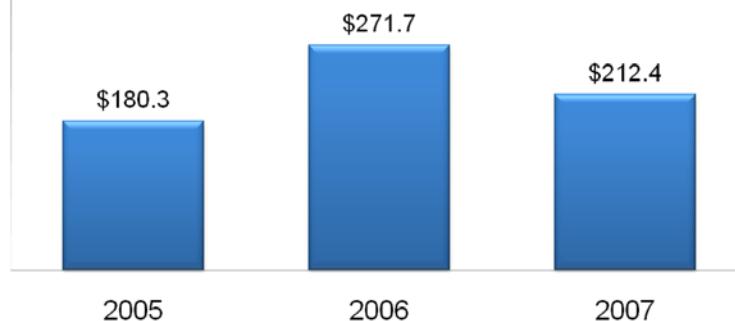


Lender Processing Services



## Financial Review

### Free Cash Flow\* (\$ millions)



\*Net income plus depreciation and amortization less capital expenditures and changes in working capital. As presented in Form 10; excludes pro forma after-tax interest expense of \$55.8 million in 2007.

Robust free cash flow

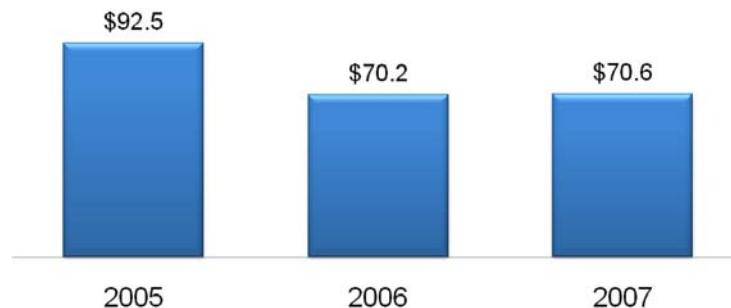


Lender Processing Services

LPS  
LISTED  
NYSE

## Financial Review

### Capital Expenditures (\$ millions)



Efficient capital deployment



Lender Processing Services

LPS  
LISTED  
NYSE

# Financial Review

## Technology, Data & Analytics

### Segment Overview

- **Mortgage processing services** – automates all areas of loan servicing, including loan setup and ongoing processing, customer service, accounting and reporting.
- **Desktop System** – workflow information system that assists customers in managing business processes and connectivity used primarily in connection with default management.
- **Other software applications** – include mortgage origination, real estate, and title insurance software.
- **Data and analytics businesses** – includes alternative property valuations, property records business and advanced analytic services, which assists customers in their loan marketing or loss mitigation efforts.

### Revenue Drivers

- **Mortgage processing services** – Typically fee per month per loan on file. Recurring revenue, long-term contracts, high switching costs.
- **Desktop System** – Activity fees per foreclosure. To be expanded to other mortgage servicing business processes. High switching costs; clients typically use LPS exclusively.
- **Other software applications** – License, maintenance and professional service fees.
- **Data and analytics businesses** – Transaction, activity and subscription fees.



Lender Processing Services

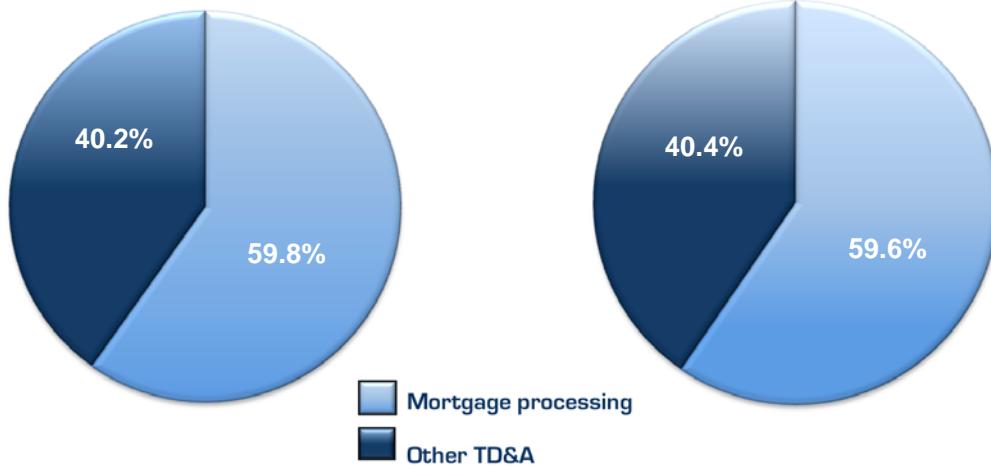


## Financial Review

### Technology, Data & Analytics

2005 revenue: \$525.3 MM

2007 Revenue: \$570.1 MM



Lender Processing Services

LPS  
LISTED  
NYSE

## Financial Review

### Technology, Data & Analytics



Lender Processing Services

LPS  
LISTED  
NYSE

# Financial Review

## Loan Transaction Services

### Segment Overview

#### Loan facilitation services:

- **Settlement services** – title agency and closing services
- **Appraisal services** – traditional appraisal and appraisal management services
- **Other origination services** – real estate tax services and flood zone information

#### Default management services:

- **Property preservation services** – designed to preserve value of properties securing defaulted loans
- **Foreclosure services** – includes access to a nationwide network of independent attorneys, document preparation and recording and other services
- **REO services** – covering real estate to which our customers take title and seek to sell following default

### Revenue Drivers

#### Loan facilitation services:

- Transaction driven
- Origination services paid by lender and ultimately, primarily borne by customer

#### Default management services:

- Transaction driven
- Various services related to defaulted and foreclosed properties, paid by lender or vendor

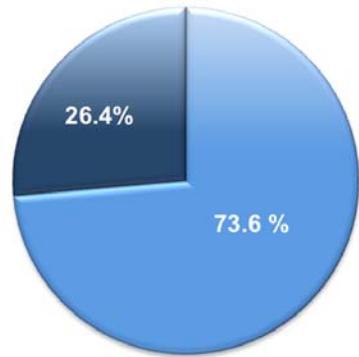


Lender Processing Services

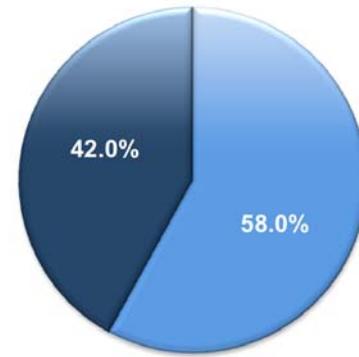


## Financial Review Loan Transaction Services

2005 revenue: \$820.1 MM



2007 Revenue: \$1,125.9 MM



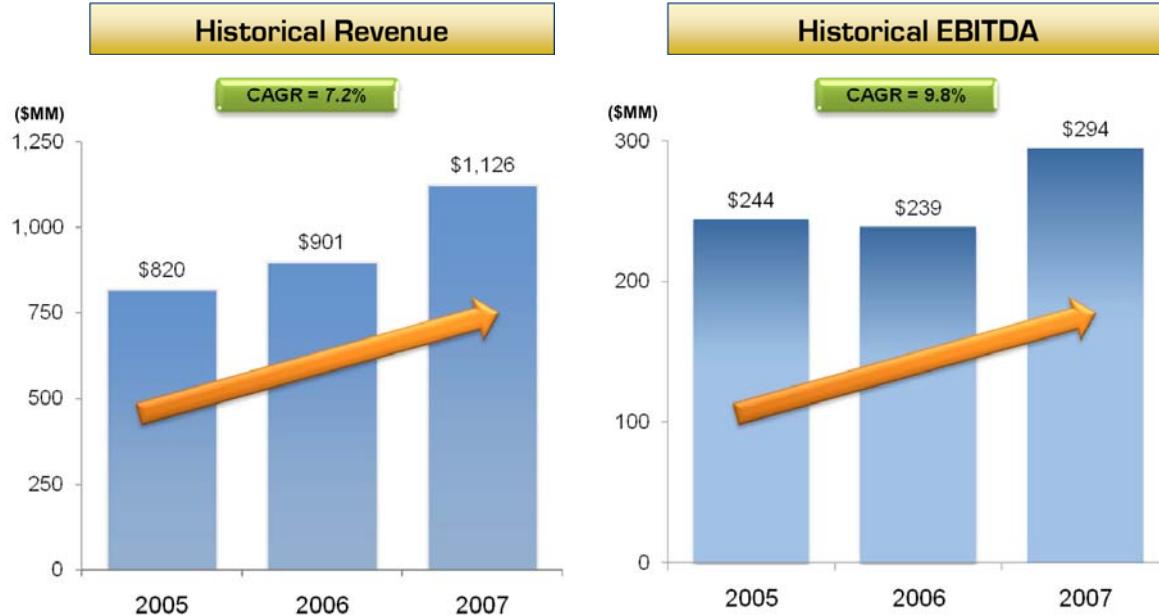
**Loan Facilitation Services**  
 **Default Services**



Lender Processing Services

LPS  
LISTED  
NYSE

## Financial Review Loan Transaction Services



Lender Processing Services

LPS  
LISTED  
NYSE

## **2008 Guidance and Long Term Outlook**



LPS  
LISTED  
NYSE

## 2008 Adjusted Guidance

(amounts in millions except per share data)	<u>2007 Carveout</u>	<u>2008 Guidance (1)</u>
Revenue	\$1,690.6	7% – 9%
EBIT	424.1	6% – 8%
Net Earnings per Diluted Share	\$2.06	\$2.10 – \$2.22
Adjusted Earnings per Diluted Share	\$2.32	\$2.34 – \$2.46
Free Cashflow	\$156.6	\$193 – \$228
Diluted Shares (2)	97.7	97.0
Capital Expenditures	\$70.6	\$65 – \$75
Depreciation & Amortization	\$102.6	\$95

### Solid start as a stand-alone public company

(1) Reflects impact of estimated incremental costs.

(2) Following completion of the spin-off, FIS shareholders are expected to receive .5 shares of LPS common stock for each share of FIS common stock they hold.



Lender Processing Services



## Long Term Outlook

### Key Market Assumptions

- Year over year origination/refinance volume stabilize by early 2009 and grow modestly through 2011
- Year over year default volumes continue to rise through 2011
- Outstanding mortgage loans continue to grow steadily
- Trends toward centralization and outsourcing continue
- Demand for enhanced analytics and risk management solutions increases



Lender Processing Services

LPS  
LISTED  
NYSE

## Long Term Outlook

### Strategic Growth Initiatives

- Leverage comprehensive solutions
- Extend technology leadership position
- Expand service offerings
- Selectively pursue new markets
- Drive cost reduction initiatives
- Selectively pursue acquisitions

**Focused on strong, profitable growth**



LPS  
LISTED  
NYSE

## Long Term Outlook

- Grow revenue 6–9% annually 2009–2011
- Expand operating margin on average by 50 bps per year
- Target \$400–\$500 million in debt reduction through 2011
- Repurchase shares opportunistically

**Grow EPS by 12–15% annually 2009–2011**



Lender Processing Services



# Summary



LPS  
LISTED  
NYSE

## Summary

- Leading market positions in:
  - Technology, Data and Analytics
  - Loan Transaction Services
- Revenue growth faster than market
- Expanding margins
- Attractive dividend
- Strong free cash flow

**Focused on delivering above average returns to shareholders**



Lender Processing Services



## Q & A



LPS  
LISTED  
NYSE